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28 April 1965

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with the Secretary of Defense concerning the National Reconnaissance Office (NRO)

1. The DCI called on the Secretary of Defense in the latter's office at 1700 hours, Tuesday, 27 April 1965, to discuss the organizational proposals concerning the NRO which had been previously submitted to the Secretary of Defense. Also present were Admiral Raborn, Dr. Fubini and Mr. Bross.

2. Mr. McNamara opened the conversation by saying that he didn't care who ran the NRP as long as it was well run. He proceeded to enumerate five general principles which he thought should govern the organizational arrangements.

a. The program should have the benefit of advice and guidance from qualified individuals outside the Government. He felt that the President's Foreign Intelligence Advisory Board (PFIAB) served this function.

b. Because of the importance of the program, he felt that it warranted the personal attention of senior officials of the Government. Accordingly, he believed that a committee including the DCI, the Secretary of Defense and the Scientific Advisor to the President should be constituted to provide over-all policy guidance to the program.

c. He said that both CIA and DoD have important interests in the program and essential contributions to make. He referred, for example, to the Air Force recovery, tracking and tanker facilities needed in connection with certain operations.


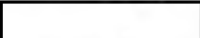
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d. He felt that competition or, as he put it, a certain redundancy in what he characterized as "exploratory research" was desirable. He said that it would not worry him to have this redundancy cost the Government   dollars as he thought the impact on systems improvement would be worth it.

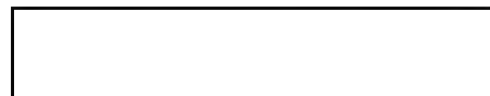
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e. He stressed the importance of clearly fixing responsibility for program responsibility.

3. Mr. McCone addressed himself to each of these propositions. He agreed with the importance of outside advice, though he somewhat doubted the competence of the PFIAB in this field since Dr. Killian's departure. He agreed with the thought that the Scientific Advisor to the President would be a useful addition to the committee which Mr. McNamara felt should be called the Executive Committee. Mr. McCone suggested that the Secretary of Defense would probably delegate his authority on the committee to the Deputy Secretary and Mr. McNamara appeared to acquiesce in this. Mr. McCone also agreed with the proposition that the program would depend on Defense Department facilities, which were beyond CIA's capability and described his concept of a launch authority which would be responsible for launch, inflight control and recovery operations. Mr. McNamara indicated at this point that there was no problem with manned aircraft activity, the difficulties having developed almost exclusively in the satellite field. Mr. McCone also agreed with the desirability of competition or redundancy in the research field. Finally, he spoke of the need for establishing responsibility for overall direction of the program in one individual.

4. Having reviewed the areas of apparent agreement, Mr. McCone said that there appeared to be one basic area of difference concerning the degree to which the Agency should participate in the development, engineering, production and procurement phases. He said that his experience, inside and outside the Government, as a Government

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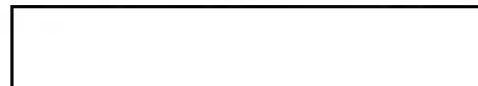
official and as a private contractor, had been that contractors respond best, if at all, under the inducement of procurement contracts. He said that most of the exploratory research is done by contractors and that unless the Agency is able to offer the inducement of production and procurement contracts, contractors will simply not respond with new devices and conceptual ideas. Therefore, if a CIA contribution to the invention and development of new systems is really desirable, CIA should have a continued responsibility in the field of production and procurement, as well as in the field of research.

5. Mr. McNamara said that he thought it would be chaotic and disastrous to have two agencies in the development field. The point was made that there are very distinct system categories (i.e., general search, spotting, SIGINT collection, etc.) and that development and production by different agencies to meet these different system requirements should not cause any trouble.

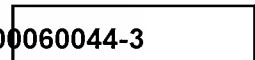
6. At about this point the Director reviewed the history of the CORONA program to indicate the importance of continuity of direction over the development and production phases in order to ensure system improvement. Dr. Fubini indicated that the present effort to improve the CORONA system was initiated by him, his point apparently being that the inspiration for system improvement in this case did not come from the agency with the system responsibility.

7. Mr. McCone asked Admiral Raborn for his opinion. Admiral Raborn stated very strongly his opinion that it was essential to have the agency continue to be responsible for the engineering, development and production phases of certain systems. He described his own experience with the Polaris system, which he felt was a strong precedent in support of this proposition. The Secretary of Defense argued that the Polaris experience proved that the user agency should have the responsibility for system development and that in any event this responsibility should clearly be fixed and not diffused. This suggested the counterargument that CIA is the basic

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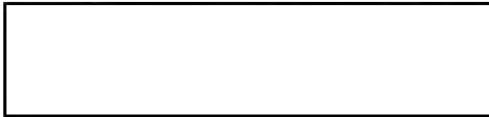


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user of the product of certain space collection systems and, on the analogy of the Polaris, should be given the responsibility of their design and production.

8. Admiral Raborn handed the Secretary of Defense the proposed agreement which had been prepared in CIA and which incorporates most of the provisions outlined in the memorandum which had been given to the Secretary of Defense earlier. A copy of this memorandum was also given to Dr. Fubini.

9. At some earlier point in the conversation, Mr. McNamara referred to the necessity of answering the PFIAB report. Mr. McCone pointed out that Mr. Vance had already acquiesced in this report and that the DCI had filed a very strong memorandum in opposition to it. Mr. McCone's understanding was that the PFIAB report had been suspended and that in any event it was an unworkable and unrealistic proposal which individual members of the Board had already repudiated. The Secretary of Defense said that he was referring to some recommendations or discussions which had recently been made directly to the President and which emanated from the Board. Nobody, other than the Secretary, appeared to be aware of these proposals or discussions.

10. The meeting ended with a review by Admiral Raborn of the arguments in favor of combining responsibility for research with responsibility for research and production and of his experience in this field.

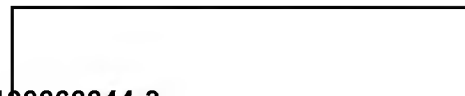
11. The meeting broke up at approximately 1750 hours. Mr. McCone remained for discussions on another subject with the Secretary of Defense.

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D/DCI/NIPE

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Mr. McCone

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